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C O N F I D E N T I A L SECTION 01 OF 02 MUSCAT 000019

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TAGS: [PREL](#) [KPAL](#) [KWBG](#) [ECON](#) [EFIN](#) [KCRM](#) [MOPS](#) [MU](#)
SUBJECT: OMAN DENOUNCES ISRAEL AND INTERNATIONAL COMMUNITY
ON GAZA

REF: A. MUSCAT 013
 [B.](#) MUSCAT 012
 [C.](#) 07 MUSCAT 877

Classified By: Ambassador Gary A. Grappo for Reasons 1.4 (b, d)

[¶1.](#) (C) Summary: The Secretary General of Oman's foreign ministry harshly criticized "Israeli aggression" in Gaza and the alleged inaction of the UN Security Council and international community to stop the killing of Palestinians in a January 7 assembly of the local diplomatic corps. He stated that the GCC was not opposed to the idea of an Arab League summit on the situation in Gaza, but would first see if the Security Council - which bore "primary responsibility" for stopping the fighting in Gaza - took timely action before deciding how to move forward. The Secretary General also answered questions on the recent GCC Summit in Muscat, including queries on monetary union, sovereign wealth funds, piracy off of Somalia, and residency time limits for expatriate workers. End Summary.

[¶2.](#) (C) At a meeting for chiefs of diplomatic missions on January 7 ostensibly called to discuss the recent GCC Summit in Muscat (refs B, C), Ministry of Foreign Affairs Secretary General Sayyid Badr al-Busaidi immediately launched into a scathing rebuke of Israel for its "unwarranted massacre" of Palestinian civilians in Gaza. Echoing the same themes that Oman's Minister Responsible for Foreign Affairs, Yusef bin Alawi, had delivered to resident ambassadors of UN Security Council members nations on January 5 (ref A), Sayyid Badr also lambasted the Security Council, as well as the broader international community, for failing to act to stop Israeli military actions in Gaza. After a prolonged lecture on the Gaza crisis, Sayyid Badr finally turned his attention to the Summit, but simply said that he had nothing to add to the final communique issued by the GCC leaders.

[¶3.](#) (C) In a question and answer session following Sayyid Badr's remarks, the Algerian ambassador asked for the view of Oman and the rest of the GCC on the convening of an emergency summit of the Arab League (AL) to address the situation in Gaza. Sayyid Badr answered that the GCC was not opposed to the idea of such a summit, but stressed that principal responsibility for responding to the Gaza crisis lay with the Security Council. The GCC, he added, would await "urgent action" from the UN to halt the killing in Gaza. If it failed to act in a timely manner, Arab governments would then have to consult with each other on how to move forward on this issue.

[¶4.](#) (C) Asked about a statement by Saudi Foreign Minister Prince Saud al-Faisal that Israeli actions in Gaza may cause Arab states to reevaluate the AL Peace Initiative, Sayyid Badr refrained from giving a direct response. He instead replied that the Israeli-Palestinian conflict could not be solved through violence or military means, but only through dialogue and diplomacy.

[¶5.](#) (C) Sayyid Badr made the following points in response to additional questions raised by meeting participants.

GCC Monetary Union - There is no change in Oman's policy regarding the proposed GCC common currency. The Omani government continues to have no objection to the currency, but will not join the monetary union. Oman welcomes and will participate in the Arab Economic, Social and Development Summit to be held in Kuwait on January 19-20, 2009.

Sovereign Wealth Funds - A common GCC policy on sovereign wealth funds (SWFs) is not necessary; each GCC country will control and use SWF as it chooses. Oman's SWF - the State General Reserve Fund - will be tapped in difficult economic times, including the current global financial crisis.

Piracy - The GCC supports UN Security Council Resolution 1851 and international efforts to stem piracy off the coast of Somalia. It also hopes to see greater international cooperation to combat the problem. Stopping the piracy will require resolution of the underlying situation in Somalia through more active dialogue and negotiations.

Peninsula Shield - There is no change regarding the status of Peninsula Shield.

Expatriate Workers - No decision has been taken on a proposal for a five-year residency limit for expatriate workers in GCC states. The issue is under review by a "special committee" and GCC labor ministers are currently responsible for residency and work requirements in each of their respective countries. Any proposal to impose a cap on the duration of residency for expatriates can not be allowed to adversely

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affect "individual countries' development goals."
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